

**MINUTES OF THE CITY OF LAS VEGAS SPECIAL CITY COUNCIL MEETING HELD ON
WEDNESDAY, MARCH 25, 2015 AT 5:00 P.M. IN THE CITY COUNCIL CHAMBERS**

MAYOR: Alfonso E. Ortiz, Jr.

COUNCILORS: Tonita Gurule-Giron
David L. Romero
Joey Herrera - Absent
Vincent Howell

ALSO PRESENT: Elmer J. Martinez- City Manager
Casandra Fresquez - City Clerk
Dave Romero - City Attorney
Juan Montano - Sergeant at Arms

CALL TO ORDER

Mayor Alfonso E. Ortiz, Jr. called the meeting to order at 5:00 p.m.

ROLL CALL

Mayor Ortiz, Jr. thanked everyone for attending the meeting and hoped for more attendance in the future. Mayor Ortiz, Jr. added that the meeting was being televised and hoped there would be many viewers tuning in, and also expressed how important it was for the community to be informed of issues that affect the City of Las Vegas.

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

Mayor Ortiz, Jr. asked for a moment of silence to reflect on life and on the opportunities we have to help others.

MAYOR'S APPOINTMENTS/REPORTS

Mayor Ortiz, Jr. advised that there were no appointments at this time but advised there would be a presentation by San Miguel County Manager Les Montoya and San Miguel County Finance Supervisor Melinda Gonzales.

Mayor Ortiz, Jr. reported on the Legislative Session regarding the no action taken on the Capital Outlay Bill and how it would negatively affect Highlands University, Mora, San Miguel County, Luna Community College, and Behavioral Health Institute.

Mayor Ortiz, Jr. expressed his concern on how it would affect the gross receipts tax and the economy as well.

Mayor Ortiz, Jr. wanted to publicly state that one democrat that had the authority to present the item regarding the old State Police Building on Mills Avenue, refused to present it as an agenda item.

APPROVAL OF AGENDA

City Manager Martinez advised there were no recommendations for amendments or changes on the agenda.

Councilor Howell made a motion to approve the agenda as is. Councilor Gurule-Giroñ seconded the motion. Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

David L. Romero	Yes	Tonita Gurule-Glroñ	Yes
Vincent Howell	Yes	Joey Herrera	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

PUBLIC INPUT

Mr. Sanjay Bhakta briefly expressed his opinions regarding a possible tax increase and how it would affect job loss in the community as well as having a down turn for local businesses, and also spoke of the importance of businesses making a stronger effort in analyzing how to increase, and market business in the community.

PRESENTATIONS

Mayor Ortiz, Jr. advised that County Manager Les Montoya would be making an important presentation and asked Council if they were no objections to his ruling regarding the ten minute time limit not applying to Mr. Montoya. Mayor Ortiz, Jr. thanked County Manager Montoya and County Finance Supervisor Melinda Gonzales for sharing the information regarding the proposed agenda item.

County Manager Les Montoya stated that he agreed with the Mayor's report on the outcome of the NM Legislative Session regarding the lack of Capital Outlay funding, which would affect Northern New Mexico and the rest of the region.

County Manager Montoya expressed that a message was being sent from Federal and State Government, of not being able to depend on them to continue to help in our community needs and added that Legislation was introduced regarding tax structure in NM and in his opinion was a clear indication of local governments to provide for themselves.

County Manager Montoya expressed the need to plan for the future of reinvestment in our community, instead of taxing ourselves and the importance of planning to create opportunity by asking people what economic development strategies can be created within both the city and county. County Manager Montoya added that San Miguel County had been working on a strategic plan for San Miguel County for 10 years and that it included the City of Las Vegas and the Village of Pecos.

County Manager Montoya added that the tendency is to plan regionally, and explained that funds are becoming less available and advised that it just as important to plan regionally as it is locally. County Manager Montoya informed that he would present a strategic plan for Northeastern Economic Development Organization, which had been approved by the Region and informed that the City

of Las Vegas was a member in that process and suggested that the city participate in continuing to invest in a regional approach and to reinvest in the community.

County Manager Montoya stated that this plan identified strategies and issues on a regional bases, regarding economic development in order to eliminate taxing and added that implementation would be the challenge but would result in economic development.

County Manager Montoya advised that the County Commissioners weren't able to attend the meeting and apologized to Council but informed if any communication was needed regarding the issue, an invitation was open to them to attend the Public Hearing scheduled on Monday at 11:00 a.m. in the San Miguel County Commission Chambers.

Mayor Ortiz, Jr. thanked County Manager Montoya for the invitation to attend the Public Hearing to be held on Monday.

County Manager Montoya advised he would summarize the document which had been presented to him and what he presented to the Board of County Commissioners, regarding the issue of an increase in gross receipts tax in San Miguel County and informed he would explain what the County Commission was doing.

County Manager Montoya added that he had received an invitation signed by Mayor Ortiz, Jr. and City Manager Martinez, inviting him and County Commissioners to attend the City Council Meeting to present the information to the public on the proposed tax increase.

County Manager Montoya informed that he had prepared a memorandum on his proposal regarding the issues and highlighted areas to the County Chairman, Arthur Padilla of the reasons for recommending taking advantage of an authorization to impose the tax increase in San Miguel County.

County Manager Montoya stated that one of the reasons was due to Legislation presenting in doing away with hold harmless payments to cities and counties as it was affecting the State Budget. County Manager Montoya advised that eliminating that payment would result in the County to lose \$350,000.00 a year

and added that the hold harmless payment came into effect to make up for the revenue of the result of the State of New Mexico not taxing food and medication.

County Manager Montoya advised that if the hold harmless payment is eliminated, the state is proposing to authorize a tax authority equal up to 1/16th and if authorized, that San Miguel County would only generate \$280,000.00 - \$300,000.00 a year, and added that the county relies on other sources of funding but expressed that they are not secure.

Another reason discussed by County Manager Montoya was Capital Outlay cuts and how that would affect planned road projects throughout the county.

Mayor Ortiz, Jr. advised that according to the Association of Counties and the Municipal League, the exemption was for municipalities of less than 10,000 in population and counties of less than 48,000 in population, therefore the hold harmless would continue benefiting San Miguel County if no action was taken.

Mayor Ortiz, Jr. informed if the tax increase would imposed, the \$290,000.00 would decrease in the first 8 years by 6% and the next 7 years, it would decrease by 7% so at the end of the 15 year period which will be 15 years from 2016 then the county would no longer receive any funding.

County Manager Montoya advised that the proposals would have impacted the County and limited them to 1/16th.

San Miguel County Finance Supervisor Gonzales advised that the proposal would have impacted the county to ½ of one percent and it wouldn't have allowed the county to enact anymore than what would have covered what would have been lost, and added that the county would only have been able to impose 1/16th and would have still had a loss.

Mayor Ortiz, Jr. advised that even the 1/16th would have covered the loss and stated if the county wouldn't take any action at all the county would not have lost anything and the \$290,000 wouldn't be affected.

County Manager Montoya clarified that the total was not \$290,000.00 and rather that it was \$308,000.00.

Mayor Ortiz, Jr. informed that the City of Las Vegas is more than 10,000 in population and added that the city will be affected and that the city is going to take a loss of 6% decrease for the first 8 yrs and a 7% decrease for the last 7 years and after the fifteen years the funds would stop.

County Manager Montoya stated that those were reasons for the proposing of the tax increase and added that there is a serious need to address issues regarding County road maintenance.

County Manager Montoya advised that the county did receive funding from FEMA from disaster declarations made at the time of the flooding for road repair. County Manager advised there are 526 miles of road that need to be addressed and added that there are other projects that have been on the county's ICIP plan.

County Manager Montoya informed he would bring the issues to County Commissioners and advise them that this is an opportunity to address needs of the county, to create a revenue stream that will provide a sustained revenue source and added whether the tax proposals are a negative impact or not, the County needs to look at creating that resource in order to serve citizens in keeping the roads and rural areas safe.

County Manager Montoya gave a brief overview of the summary which would be presented to County Commissioners regarding a list of prioritized Capital Projects from the ICIP plan, which totaled \$18 million worth of needs.

County Manager Montoya added that the County was working in collaboration with Paul Cassidy from RBC Capital Markets regarding proposals to look at leveraging capacity with the additional revenue which would be \$900,000.00 more a year for purposes that would be identified in the ordinance by the Commission and added that also provided in the summary was the Notice of the Special Meeting, FYI and a Copy of a draft ordinance that would be presented to the Board of County Commissioners at the meeting held on Monday at 11:00 a.m.

City Manager Elmer Martinez thanked County Manager Montoya for being there to present the information regarding the proposed tax increase and advised that the community had a lot of questions regarding the tax and how it would affect the City of Las Vegas, and how several citizens thought that they would have the opportunity to vote on the tax increase.

City Manager Martinez added that the importance of discussing the matter due to the fact that it would affect the residents of the City of Las Vegas on the gross receipts tax, and commented on the importance of not being able to plan in a vacuum and that it was a concern to the City of Las Vegas and hoped there would be communication between the City of Las Vegas and San Miguel County.

City Manager Martinez advised that the hold harmless payment process came into effect in 2004 when the legislature stopped taxing food and medical and added that cities and counties relied on that tax and the Legislature holds city and counties harmless and gives supplemental income equal to the amount of that tax and has recently been proposed at the Legislature do away with the hold harmless supplement.

City Manager Martinez informed that cities with population of more than 10,000 and counties with over 48,000 in population would be affected of reduction of hold harmless subsidy for a 15 year period and added that the other component given by Legislature given to counties and municipalities would be to implement a tax increase of up to 3/8th percent to help accommodate for the loss.

City Manager Martinez advised that they were notified about the issue regarding the hold harmless in July while attending the Municipal League Meeting and stated that Las Vegas was one of the twelve municipalities in the state that would be affected by the subsidy reduction.

City Manager Martinez advised he met with Finance Director Anne Marie Gallegos and Mayor Ortiz, Jr. to discuss how the tax increase would affect the City of Las Vegas and informed that it would reduce the subsidy from the state by \$84,000.00, every year for the next 15 years adding to a gradual reduction total of 1.2 million dollars.

City Manager Martinez stated it would affect the tax payers in the community regarding gross receipts tax and that tax was at 8.062% since July 2014 and added that the City of Las Vegas made the conscious decision to not impose the allowed 2/8th tax increase to accommodate the loss.

City Manager Martinez advised the City of Las Vegas would make the effort to hold back and tighten the budget for the next few years and that the needs would be addressed without having to go out to the taxpayers, considering the tax was already over 8% and added that knowing there were investments being made in economic development from the General Fund, knowing the investments being made in Main Street & Chamber of Commerce in trying to increase revenue.

City Manager Martinez advised that some initiatives taken regarding how to store and manage water would be affected with the tightened budget and that those situations were taken into consideration before bringing a recommendation to City Council.

City Manager Martinez stated that he wished there had been more discussion with the county regarding the opportunity for the city to express their views and proposed more discussion while moving forward, and added that the city and county have common constituents that they serve together and how the decisions impact the community. City Manager Martinez spoke of the importance of currently working together towards growth in community regarding the city and county and to work on the region in the future and advised that he thought that taking care of in-house housekeeping was needed before moving forward.

City Manager Martinez advised that the county had every right under the statutes to impose the tax and stated that it wasn't the issue being brought up, and advised that the city had the same right but it was the approach that the city wanted to work on regarding the tax increase.

County Manager Montoya asked City Manager Martinez what the recommendation was after discussion of investments and opportunity of tax increase.

City Manager Martinez advised County Manager Montoya the recommendation was to hold off a year and explained that the Finance Report is brought to

monthly Council Meetings and the General Fund is reviewed regarding the bottom line and review expenditures and revenue.

City Manager Martinez noted each month since July, expenditures had reduced based on projections and revenue had slightly dropped and added that the city is trying to hold the line and stated that the city understands that in two or three years revenue will need to increase and that this tax may possibly have to be imposed but the city is trying to find ways of not having to.

City Manager Martinez discussed the high tax rate was a concern regarding in bringing in new businesses and attracting investment in the community and expressed that a healthy economic development in our community is driven by management of resources.

Mayor Ortiz, Jr. advised that the city was going to take a loss of 1.2 million dollars at the end of the 15 years and asked City Manager Martinez what the amount needed was for Capital Outlay needs for the City.

City Manager Martinez advised the City would need a total of 160 million dollars for Capital Outlay projects.

Mayor Ortiz, Jr. made the point of everyone having needs for Capital Outlay projects, and added that the city had the opportunity to impose the tax increase and make a substantial amount of money but chose not to because of the concern of the community and how it would impact them.

Mayor Ortiz, Jr. explained that the tax rate in July 2014 was 8.0625% and in January 2015, San Miguel County passed a .0833% increase which brought the tax rate to 8.1458% and if the County would go through with the proposed 2/8th tax increase, it would bring it up to 8.3958%.

Mayor Ortiz, Jr. advised that if the city would impose their portion, the tax would increase to 8.80% and added that the city could use the money and stated "the city would make a killing" and it would be at the expense of the community tax payers. Mayor Ortiz, Jr. discussed how the economy is bad at the state level and that recovery time could take several years.

Mayor Ortiz, Jr. asked County Finance Supervisor Gonzales if the 1/16th would cover the total loss.

County Finance Supervisor Gonzales replied "it would cover almost all what they were going to lose".

Mayor Ortiz, Jr. clarified that the County was asking for 4/16th which is 3 times more of what was actually needed to cover the loss and how it would substantially help the county and their needs. Mayor Ortiz, Jr. discussed the significant needs of the city regarding roads and but suggested that the city and the county get together regarding the taxpayer needs at the county and city level, and added that the easy way would be to impose the maximum and noted that the county didn't impose the maximum but that the amount they did impose was substantial.

Mayor Ortiz, Jr. reported that the city would propose to City Council, not to impose any increase, even if there would be a loss of about \$250,000.00 at the end of a 3 years period.

Mayor Ortiz, Jr. stated for the record that he would recommend to the new Mayor, as well as the Governing body that when it came time to have to impose the tax increase that they would come up with the rate increase amount only to make up for the 1.2+ million dollar loss, in order to continue stability and added that the other financial needs would be worked on gradually and the city would do their best to make ends meet.

Mayor Ortiz, Jr. expressed his disappointment regarding the communities that had imposed the tax increase and stated that there were many counties that imposed the tax increase. Mayor Ortiz, Jr. added that these counties found a "loophole", because of the fact that these counties, including San Miguel County would not stand to lose anything and that it didn't make any sense to impose the tax just to make up the 1/16th, since imposing the 1/16th on tax payers would generate dollars equivalent to what the county would receive without the imposition.

Mayor Ortiz, Jr. asked for the county to take those factors into consideration and added that ultimately County Manager Martinez would recommend to the County Commission what is best for the County and its citizens.

County Manager Montoya stated that the needs of the County were similar to those of the city and advised that discussion with Finance, County Staff and Commissioners had been taking place regarding the tax increase and advised that the county chose not to impose the tax 6 years ago because of the impact on the community and since the current threats of the Legislative action to do away with the hold harmless said he could no longer wait to impose the tax and it would be irresponsible of him not to inform Commissioners of the trend, statewide and nationwide is for cities and counties to fend for themselves, and added that the Commissioners would make the decisions with the information County Manager presents.

County Manager Montoya advised it was important for the county and the city to communicate, but added that it was difficult and used an example of presenting an emergency tax two years ago that would have benefitted the city and the county and in his opinion failed because the city didn't put enough effort to get it passed. County Manager Montoya expressed the importance of trying to work together and advised that the county is open to work with the city as long as it is to benefit the taxpayer. County Manager Montoya stated that gross receipts tax is a tax looked at by businesses, whether it is an affordable place to do business and added that high water rates were another issue that affects businesses coming in.

Mayor Ortiz, Jr. added that water rates are high and will only go higher after the rate increase and that we should be concerned of the high rates and stated that another concern he had was that County Manager Montoya knew as well as himself that the intent of this piece of Legislation was not to allow communities that didn't qualify to apply for these dollars.

Mayor Ortiz, Jr. stated that it bothered him that cities and counties that didn't get affected by the hold harmless took advantage of a loophole that was not intended but available and took advantage of taxpayers.

Mayor Ortiz Jr. stated that it bordered on not being legal and cities and counties are getting away with it and that he thought it was unethical as well as morally wrong. Mayor Ortiz, Jr. expressed his thoughts on how the taxpayers were disregarded.

County Manager Montoya stated that he thought Mayors and Commissioners didn't work in the manner of taking advantage of situations but that they take action based on what is authorized under the law and disagreed that it would be unethical or illegal.

Mayor Ortiz, Jr. passionately asked County Manager Montoya to take the issues into consideration in reference to the taxpayers

Councilor Howell briefly spoke of the importance of the collaboration between the City of Las Vegas and San Miguel County particularly when it affects the community and added that the citizens are not happy with another tax increase. Councilor Howell stated that he feels the increase would only be beneficial if it went to county roads repair where it is desperately needed.

Councilor Gurule-Giroń had concerns of how the tax increase would impact the Enterprise Fund and how it would affect the on-going water projects that affect city residents and county residents as well.

Councilor Gurule-Giroń addressed City Manager Montoya and asked if the County would work with the city so we can meet the needs of the community regarding water and asked to take that into consideration.

DISCUSSION ITEMS

1. Discussion on the proposed quarter cent Gross Receipts Tax increase by San Miguel County and its implication on the GRT changes.

Utilities Director Ken Garcia advised that the tax increase would affect the community on their gas bills and would impact them a second time due to potential increase on gas rates and added that water projects also fell under gross receipts tax. Utilities Director Garcia questioned how customers would benefit from this imposition of the tax increase on utility bills.

County Manager Montoya addressed Mr. Garcia's question by stating that he thought the increase would benefit the counties needs of road repair affecting utility gas customers and emergency services as well.

Mayor Ortiz, Jr. stated that he was concerned on the subject of the county benefiting a total of \$880,000.00 annually from the 2/8ths tax increase which will be paid by more than 50% of Las Vegas citizens and added that it was a significant amount.

County Manager Montoya stated that the authorization by the Legislature allows the County to tax within the corporate limits within the county which includes City of Las Vegas and the Village of Pecos.

Mr. Sanjay Bakta asked questions regarding the city being a home rule community, and under the Las Vegas City Charter asked if there were any definitions defining such taxation and under those definitions are there terms of flexibility to impose GRT or other taxes and fees that may be equal to or greater than those of the State New Mexico.

City Attorney Dave Romero advised that the City of Las Vegas is a home rule community which allows more power than the average municipality to do what is in the best interest of the city, and added as long as the city is not violating or contradicting a State law but stated in this case the city's authority is limited by what the Legislature has passed.

Sanjay Bakta asked if food and medication could be taxed under the City Charter since it was no longer being taxed by the State.

City Attorney Dave Romero advised that the city is pre-empted from acting in the area of State Taxation and Revenue and the Legislatures actions and added that there is not a clear definition of it but there is a general policy.

Mayor Ortiz, Jr. briefly discussed the example of clear definition regarding the language issues of the proposed tax increase.

Councilor Howell suggested that the County's Economic Leadership group and the City's Economic Development Corporation should work together in bringing in more gross receipts into the community regarding all the issues concerned.

County Manager Montoya advised Council there is an economic strategic plan in place that calls for collaborative effort from all entities, including the city, to work together with the help of Economic Development Executive Director Bill Henderickson but advised that better effort to collaborate needs to be exercised to benefit the taxpayer.

Councilor Gurule-Giroñ asked who the driving force was to plan regional economic development.

County Manager Montoya advised that the Region took part in a strategic planning process through New Mexico State University and advised that the County was certified to begin the planning process.

Mayor Ortiz, Jr. thanked County Manager Montoya and Melinda Gonzales for their presentation and advised he and City Manager would make the effort to attend the meeting and encouraged all who had interest on the issue to attend.

City Manager Martinez advised that Community Services Director Phillip Ortiz and staff had prepared a presentation but the items were addressed in the discussion but thanked them for preparing the presentation.

BUSINESS ITEMS

1. Approval/Disapproval of Budget Adjustment Resolution 15-15.

Finance Director Ann Marie Gallegos advised that the City of Las Vegas is in need of increasing or decreasing the FY 2015 budgeted revenues or expenditures, transfers to or transfer from within various funds and stated this was a budget adjustment request to increase expenditures in the water rights fund, transferring \$300,000.00 from the water operating fund to the water rights fund to increase line items for attorneys fees and other professional services.

Councilor Gurule-Giroń had concerns on negative amounts on the Schedule of Budget Adjustments and also on several questions on the revenue for Water and Gas Funds.

Finance Director Gallegos clarified the concerns on the Schedule of Budget Adjustments concerning negative amounts and the Water and Gas Fund totals.

Councilor Gurule-Giroń had questions on the Attorney Fees and Professional Services.

Utilities Director Garcia advised that there were several funds being funded which were, Negotiations with the Storrie Project, Brander Dam (regarding water rights), Remand and completing the Adjudication.

Councilor Gurule-Giroń asked how much has been spent within the last year in the four areas indicated.

City Attorney Romero advised that the specific amount that the City is spending on particular litigation is considered privileged but that it would be available to Council in Executive Session but advised that he objected the discussion at this time.

Councilor Gurule-Giroń advised that the expenditures of the City are public information.

City Attorney Romero advised that the city is in litigation concerning the remand so the specific amounts are not public but are available under Executive Session.

Councilor Gurule-Giroń disagreed with City Attorney and stated that the information is public record and specified that she wanted to know how much had been spent on litigation.

Finance Director Gallegos clarified from July 2014 through March 31, 2015, that \$250,000.00 had been spent and stated that the reason for the request of the additional \$300,000.00 was in order to meet the costs for Attorneys fees and other professional services.

Councilor Gurule-Giroñ had questions regarding the Enterprise Funds being in the red.

Finance Director Gallegos advised that the Enterprise Funds were not in the red.

Mayor Ortiz, Jr. advised that any concerns regarding the Enterprise Funds would be alerted by Finance Director Gallegos.

Finance Director Gallegos advised that Enterprise Funds are reviewed weekly to ensure the funds are within their budgets.

Councilor Gurule-Giroñ asked what the other professional services consisted of regarding the Attorneys fees.

Utilities Director Garcia informed Council that other professional services related to any experts regarding water rights, such as engineers or scientists.

Councilor Howell made a motion to approve of Budget Adjustment Resolution 15-15. Councilor Romero seconded the motion.

Resolution 15-15 was presented as follows:

STATE OF NEW MEXICO
MUNICIPALITY OF CITY OF LAS VEGAS
BUDGET ADJUSTMENT RESOLUTION NO. 15-15

WHEREAS, The Governing Body in and for the Municipality of Las Vegas, State of New Mexico has developed a budget for fiscal year 2015; and

WHEREAS, said budget adjustments were developed on the basis of an increase in revenues and expenditures, transfers in/or out in various funds; and

WHEREAS, increase/decrease in revenues, expenditures, transfer in, and transfers out to be funded by additional grant funding for purposes as identified, and;

WHEREAS, the City of Las Vegas is in need of making adjustments to the 2015 fiscal year budget;

WHEREAS, it is the majority opinion of this Council that the budget adjustments meet the requirements as currently determined for fiscal year 2015;

NOW, THEREFORE, the Governing Body of the City of Las Vegas passes this budget resolution for budget adjustments, PASSED, APPROVED AND ADOPTED THIS ____ DAY OF MARCH, 2015.

Alfonso E. Ortiz, Jr. Mayor

ATTEST:

Casandra Fresquez, City Clerk

REVIEWED AND APPROVED AS TO LEGAL SUFFICIENCY ONLY:

Dave Romero, City Attorney

Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

Tonita Gurule-Giroń	Yes	David L. Romero	Yes
Vincent Howell	Yes	Joey Herrera	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

2. Approval/Disapproval to Publish Ordinance #15-02 Amending Ordinance 11-18 for the Rodriguez Park Effluent Project Water Trust Board funding.

Utilities Water Project Manager Maria Gilvarry advised that the City received funding from the Water Trust Board for the Rodriguez Park Effluent project. This is an amendment to the original agreement that will reduce the loan amount of the agreement from 40% to 10%. This Ordinance will amend Ordinance 11-18 adopted October 19, 2011.

Utilities Water Project Manager Gilvarry informed that there was an error on the grant/ loan amounts and the proposed grant/ loan amounts and that the difference was incorrect due to the numbers being added instead of subtracted, and advised that the current grant amount is \$198,000 and the proposal is to increase the grant by \$99,000.00 to \$297,000.00, which will reduce the loan by the same amount of \$99,000.00.

Utilities Director Garcia advised that the net savings for the City by passing this ordinance would be close to \$100,000.00.

Councilor Gurule-Giroń made a motion to approve to Publish Ordinance #15-02 Amending Ordinance 11-18 for the Rodriguez Park Effluent Project Water Trust Board funding. Councilor Romero seconded the motion. Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

Vincent Howell	Yes	David L. Romero	Yes
Tonita Gurule-Giroń	Yes	Joey Herrera	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

3. Approval/Disapproval to Publish Ordinance #15-03 Amending Ordinance 11-19 for Taylor Well No. 2 Replacement Project Water Trust Board funding.

Utilities Water Project Manager Gilvarry advised that the City received funding from the Water Trust Board for the Taylor Well No. 2 replacement project (WTB-219). This is an amendment to the original agreement that will reduce the loan amount of the agreement from 40% to 10%. This Ordinance will amend Ordinance 11-19 adopted October 19, 2011 and informed that the current rate for the grant was \$927,697.00, the proposal is to increase the grant to \$,391,546.00, which is the difference of \$463,849.00, which would save the City over \$470,000.00.

Councilor Howell made a motion to approve to Publish Ordinance #15-03 Amending Ordinance 11-19 for Taylor Well No. 2 Replacement Project Water Trust Board funding. Councilor Romero seconded the motion. Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

Tonita Gurule-Giroń	Yes	Vincent Howell	Yes
David L. Romero	Yes	Joey Herrera	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

4. Approval/Disapproval of Resolution 15-16 authorizing submission of an application for funding assistance to New Mexico Finance Authority Trust Board.

Utilities Water Project Manager Gilvarry advised that the Engineers Inc. is submitting an application for funding assistance on behalf of the City of Las Vegas

for the 8th Street and Chico Drive Water Line improvements. It is required by the Water Trust Board that a resolution approving the request accompany the application.

Discussion took place regarding the locations of 8th Street and Chico Drive, and as to where the water lines would be repaired.

Councilor Howell made a motion to approve of Resolution 15-16 authorizing submission of an application for funding assistance to New Mexico Finance Authority Water Trust Board. Councilor Romero seconded the motion.

Resolution 15-16 was presented as follows:

RESOLUTION No. 15-16

AUTHORIZING AND APPROVING THE SUBMISSION OF A COMPLETED APPLICATION
FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO
FINANCE AUTHORITY WATER TRUST BOARD.

WHEREAS, the City of Las Vegas ("Borrower") is a qualified entity under the New Mexico Finance authority Act, Sections 6-21-1 through 6-21-31, NMSA 1978 ("Act"), and City of Las Vegas is authorized to apply for funds for financing of public projects for benefit of the community and its citizens; and

WHEREAS, the New Mexico Finance Authority ("Authority") has instituted a program for financing of projects from the Water Trust Board and has developed an application procedure whereby the Governing Body may submit an application ("Application") for financial assistance from the Authority for; and

WHEREAS, the Governing Body intends to undertake design, and construction improvements for the benefit of the community and its citizens; for the ("Project") 8th and Chico Water System Improvements; and

WHEREAS, the Governing Body completed an Application to the Authority for its consideration.

WHEREAS, the Governing Body is committing the required match obligation of 15% for the project in addition to any loan component that may be requested.

WHEREAS, the Governing Body is committed to properly operate and maintain the proposed improvements as described by the proposed project that funding is being requested for.

NOW THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LAS VEGAS:

Section 1. That all action (not consistent with the provision hereof) heretofore taken by the Governing Body and the officers and employees thereof directed toward the Application and the Projects, be hereby ratified, approved and confirmed.

Section 2. That the completed Application submitted to the Governing Body be hereby approved and confirmed.

Section 3. That the officers and employees of the Governing Body are hereby directed and requested to submit the completed Application to the Authority for its review and are further authorized to take such other action as may be requested by the Authority in its consideration and review of the Application and to further proceed with arrangements for financing the Project.

Section 4. All acts and resolutions in conflict with this resolution are hereby rescinded, annulled, and repealed.

Section 5. This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2015.

Mayor Alfonso E. Ortiz, Jr.

ATTEST:

Casandra Fresquez, City Clerk

APPROVED AS TO LEGAL SUFFICIENCY ONLY

Dave Romero Jr., City Attorney

Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

David L. Romero	Yes	Tonita Gurule-Girón	Yes
Vincent Howell	Yes	Joey Herrera	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

Mayor Ortiz, Jr. thanked Las Vegas Optic Editor Martin Salazar for the editorial on the meeting and urged the public to attend the meeting on Monday at 11:00 a.m. at the San Miguel County Courthouse and advised that the amount of the increase was significant. Mayor Ortiz, Jr. added that the County had no need to impose the tax due to the fact that they didn't stand to lose anything and stated that he would never recommend taking advantage of a loophole at the expense of taxpayers.

EXECUTIVE SESSION

City Attorney Romero advised there was a need for Executive Session to discuss negotiations and pending litigation.

Councilor Gurule-Giroń made a motion to go into Executive Session to discuss negotiations and pending litigation. Councilor Howell seconded the motion. Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

Vincent Howell	Yes	David L. Romero	Yes
Tonita Gurule-Giroń	Yes	Joey Herrera	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

Councilor Gurule-Giroń made a motion to reconvene into regular session, no action was taken and the only matters discussed in Executive Session, were those items allowed by the Open Meetings Act including, negotiations and actual potential litigation. Councilor Howell seconded the motion. Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

David L. Romero	Yes	Tonita Gurule-Giroń	Yes
Vincent Howell	Yes	Joey Herrera	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.

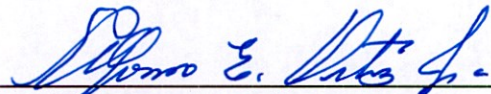
Mayor Ortiz, Jr. took the opportunity to thank the Governing Body for all their hard work and support on behalf of the residents of the City of Las Vegas as well as residents of San Miguel County and also thanked every city employee for their part in the success that has been made for the community.

ADJOURN

Councilor Gurule-Giroñ made a motion to adjourn. Councilor Howell seconded the motion. Mayor Ortiz, Jr. asked for roll call. Roll Call Vote was taken and reflected the following:

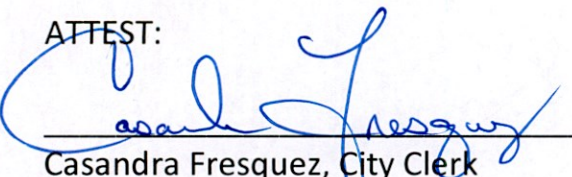
Tonita Gurule-Giroñ	Yes	David L. Romero	Yes
Vincent Howell	Yes	Joey Herrera	Absent

City Clerk Fresquez re-read the motion and advised the motion carried.



Mayor Alfonso E. Ortiz, Jr.

ATTEST:



Casandra Fresquez, City Clerk